To: Cooper, Geoff[Cooper.Geoff@epa.gov]; Bauer, Sarah[Bauer.Sarah@epa.gov]

From: Scalise, Laura

**Sent:** Wed 8/9/2017 7:56:25 PM

Subject: Re: note to Elise

Counsel's name is Liat Barrollie.

The draft MTA is prepared. We are finalizing it.

Geoff - this looks good.

From: Cooper, Geoff

Sent: Wednesday, August 9, 2017 3:36:49 PM

To: Scalise, Laura; Bauer, Sarah

Subject: note to Elise

Before I send this, could you two take a look at it and make sure I'm not missing anything, or whether my impression was wrong, right, somewhere in between? If anyone has the full names, that would help (I couldn't find them). Thanks.

Laura, Sarah and I had a conference call this morning with U.S. and Tel Aviv based WaterGen officials. Although the call was ostensibly about the legal language of the CRADA itself, it felt more like the discussion that Jay Garland and Ardra Morgan described in last week's phone call.

The company counsel (Liat?) first questioned why the agreement we propose for this arrangement, a Cooperative Research and Development Agreement, devoted so much ink to the treatment of IP developed under the CRADA and the allocation of IP rights. In her view, a lengthy IP section was not necessary because WaterGen was simply providing us a developed product and EPA's role was to perform services for the company – to test its equipment and report back the results, including how the equipment should be altered to comply with our drinking water regulations (or, how the drinking water regulations should accommodate WaterGen's product. The transmission wasn't real clear).

We explained that a Cooperative Research and Development Agreement was one of the few ways in which an EPA laboratory can work with an outside party, and that it was important that our undertaking with WaterGen be consistent with the CRADA authority, the Federal Tech Transfer Act. The FTTA envisions that, at the least, there will actually be cooperative research by the parties. Laura pointed out that the draft work statement called for an analysis of contaminants in the water produced, followed by a life cycle analysis that will consume some time – activities that assume there will be some degree of cooperative research.

WaterGen technical staff will be in Cincinnati next week, apparently with one or more of the devices, to iron out the work statement. We are preparing a Material Transfer Agreement (an abridged CRADA so that we can accept equipment for research purposes under the FTTA) to allow that to happen. In the meantime, the WaterGen counsel is preparing a mark-up of the CRADA which, we hope, shows that the company has a better understanding of how the process works.

Geoff Cooper

Assistant General Counsel

Intellectual Property Law Practice Group

(202) 564-5451